

DECISION RECORD

ENVIRONMENTAL ASSESSMENT REWARD MINE PROJECT Nye County, Nevada

**DOI-BLM-NV-S030-2007-EA
3809 Case File No. N-82840**

Compliance/Conformance

Implementation of this decision complies with applicable federal laws and regulations including, but not limited to: National Environmental Policy Act of 1969 (NEPA), Federal Land Policy and Management Act of 1976 (FLPMA), Mining Law of 1872, Endangered Species Act of 1970, Migratory Bird Treaty Act of 1918, the Clean Air Act of 1970, the Clean Water Act of 1977, and the National Historic Preservation Act of 1966.

The Mining Law of 1872 gives a claimant the right to explore, discover, and develop a mineral deposit in a prudent manner. The Federal Land Policy and Management Act of 1976 (FLPMA), often referred to as the BLM's "organic act", establishes the agency's multiple-use mandate and guidelines for its administration. Permitting of mineral operations is mandated by section 302 (b) of FLPMA (43 USC 1732[b] and 603[c] and regulated by 43 CFR 3809 – The Surface Management regulations. The action is also in conformance with the Las Vegas Resource Management Plan (RMP) and Final Environmental Impact Statement (October, 1998), Minerals Management Section, Code MN.

Decision

Based on the environmental analysis (EA) and attached Finding of No Significant Impact (FONSI), an EIS is not required and it is my decision to allow CR Reward Corporation (CRR) to proceed with mine development described in the Plan of Operations (POO) and proposed action of the EA.

The proposed action consists of construction of an open pit gold mine and heap leach facility that contains two open pits, two waste rock dumps, a heap leach facility, ore crushing circuit, haulage roads, use of a well and water pipeline to the project area and other ancillary facilities as described in the POO.

The no action alternative would mean that CRR would not develop the mineral deposit at Reward. This would result in no economic benefit to the Beatty/Amargosa Valley, Nye County, and state of Nevada in terms of employment opportunities, vendor purchases, and increased payroll, state, and county taxes.

CRR's decision to utilize a closed tank collection system, as an alternative to an open pond, will reduce water consumption from evaporation and offer greater protection for wildlife and flash

flooding. Backfilling of the Gold Ace and the main pit will be performed if economically feasible.

This decision is subject to the 43 CFR 3809 regulations and the stipulations and "Conditions of Approval" developed for the implementation of the project.

Monitoring and Mitigation Measures

Mitigation measures developed in the EA contain appropriate measures to minimize impacts from the operation and are incorporated into this Decision Record and included in the "Conditions for Approval" for this project. Monitoring devices or procedures have been developed for the heap leach process area and the water well. The BLM will be responsible for monitoring approved operations through compliance examinations required by the 43 CFR 3809 regulations. For operations involving cyanide, the BLM will complete a minimum of four inspections per year. In addition, monitoring and compliance examinations will be conducted by other state agencies permit requirements, including the Nevada Division of Environmental Protection.

Public Outreach/Involvement

A 30-day scoping period was initiated in April 2007 with BLM specialists and other groups and agencies. Six comment letters were received during this period. The issues identified during this scoping were incorporated into the planning effort.

The Draft EA was posted on the BLM's Southern Nevada District Office web page for a 30 day public review. An electronic or paper copy of the Draft EA was sent to the Nevada State Clearinghouse, the Timbisha Tribe, and interested individuals who requested copies during the development of the EA.

A total of 90 responses were received by letter and e-mail for the Draft EA. Seven individuals or agencies supplied comments that were responded to and documented in the EA.

The Nevada Department of Wildlife (NDOW) focused on wildlife issues and presented minor corrections to the classification, range, and identification of several species. The EA has been modified to reflect these changes.

Several individuals raised questions on mercury emissions, the requirement for an EIS, visual effects, cyanide containment, and blasting effects on wildlife. These comments were responded to in Appendix F of the EA and did not lead to any changes in the EA.

The Timbisha Tribe submitted comments opposing the project and mining in general. The Tribe stated that the aquifer at Reward is shared with Death Valley and expressed concerns with groundwater contamination, wildlife habitat and extinction, threatened and endangered plants, and visual aspects. The comments have been responded to in Appendix F and do not require any changes to the EA.

There were many letters of support received for the project. Many of these came from professional organizations and individuals associated with the mining industry, Beatty area residents, the Nye County Commissioner, and the Nevada Commission on Minerals.

Rationale

Based on successful results of exploration drilling, metallurgical testing, and economic analysis of project costs, CRR has determined that a gold resource exists that is capable of commercial production. The claimant has the right to explore and develop the mineral deposit under the general mining law and its associated regulations. The BLM's review of the project under the EA has resulted in a finding of no significant impacts to the quality of the human environment, and would not cause any unnecessary or undue degradation to public lands.

Development of mineral resources also conforms to the multiple use mandates under FLPMA, state and county initiatives, and the Las Vegas RMP which allows mining operations in this area.

Appeal

This decision is subject to appeal pursuant to 43 CFR 3809.800. A party that is adversely affected may file such an appeal in accordance with the procedures in 43 CFR Part 4. An appeal shall be filed not later than 30 days after the date the ROD is issued.



Patrick Putnam, Field Manager

8-12-09

Date